



**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

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DIVISION OF ENFORCEMENT

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April 8, 2020

Via ECF

Hon. Kiyo A. Matsumoto
United States District Judge
Eastern District of New York
225 Cadman Plaza East, Room S905
Brooklyn, NY 11201

Re: *SEC v. Shkreli*, 15-cv-7175 (KAM) (E.D.N.Y.)

Dear Judge Matsumoto:

Plaintiff Securities and Exchange Commission ("Commission") and defendants Martin Shkreli, Evan Greebel, MSMB Capital Management LLC ("MSMB Adviser"), and MSMB Healthcare Management LLC ("MSMB Healthcare Adviser") respectfully submit this status report pursuant to the Court's March 10, 2020 Scheduling Order.

Status as to Shkreli, MSMB Adviser, and MSMB Healthcare Adviser

The Commission has continued to engage in good faith discussions with counsel for Shkreli, MSMB Adviser, and MSMB Healthcare Adviser concerning a potential consensual resolution of all of the claims in this action, without the need for litigation, in light of the resolution of the criminal charges in *United States v. Shkreli*, 15-cr-637 (KAM) (E.D.N.Y.). The Commission staff has informed these defendants' counsel of settlement terms the staff would be willing to recommend to the Commission and has engaged in discussions with counsel concerning those terms. Due to the COVID-19 pandemic, FCI Allenwood Low has ceased all visitation, including legal visits. To further protect the safety and health of inmates and staff, it is our understanding that on or about April 3, 2020 FCI Allenwood-Low ceased inmate access to telephone calls, including legal calls, but for emergency legal issues, and severely curtailed access to the TruLincs email system. Attorney-client communication is limited to written correspondence through the United States Postal Service. Mr. Shkreli respectfully requests an additional 60 days to discuss the possibility of a negotiated resolution with the Commission. The Commission does not object to this request.

Status as to Greebel

The Commission has continued to engage in good faith discussions with counsel for Greebel concerning the potential consensual resolution of the claims in this action. The Commission staff has informed Greebel's counsel of settlement terms the staff would be willing to recommend to the Commission, and has engaged in discussions with counsel concerning those terms. In light of the COVID-19 pandemic and in the interest of providing more information to the Commission staff in hopes of working out a mutually agreeable resolution, Mr. Greebel's

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counsel respectfully asks the Court for an additional 60 days. The Commission does not object to this request.

Respectfully submitted,

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